

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Application of)

HAWAII-AMERICAN WATER COMPANY )

For Approval of Rate Increase and )  
Revised Rate Schedules and Rules. )  
\_\_\_\_\_)

DOCKET NO. 05-0103

ORDER NO. 22304

Filed March 3, 2006  
At 10:15 o'clock A.M.

Karen Higashi  
Chief Clerk of the Commission

DIV. OF CONSUMER ADVOCACY  
DEPT. OF COMMERCE AND  
CONSUMER AFFAIRS  
STATE OF HAWAII

2006 MAR -6 A 8:44

RECEIVED

ATTEST: A True Copy  
KAREN HIGASHI  
Chief Clerk, Public Utilities  
Commission, State of Hawaii.

K. Higashi

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Application of)  
HAWAII-AMERICAN WATER COMPANY )  
For Approval of Rate Increase and )  
Revised Rate Schedules and Rules. )  
\_\_\_\_\_)

Docket No. 05-0103

Order No. 22304

ORDER

By this Order, the commission approves: (1) the stipulated prehearing order, which was jointly filed by HAWAII-AMERICAN WATER COMPANY ("HAWC"), the DIVISION OF CONSUMER ADVOCACY, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, and the CITY AND COUNTY OF HONOLULU (collectively, the "Parties") ("Stipulated Prehearing Order"), attached hereto as Exhibit 1; and (2) the Parties' agreement to waive the nine-month deadline for the issuance of a final decision and order in this matter.

I.

Discussion

A.

Stipulated Prehearing Order

On February 21, 2006, the Parties jointly filed the Stipulated Prehearing Order for the commission's review and approval, pursuant to Order No. 22252, filed on January 31, 2006 ("Order No. 22252"). Order No. 22252, among other things, required the Parties to formulate and formulize the issues, procedures, and regulatory schedule with respect to the matters

of this docket in a stipulated prehearing order for filing with the commission for its review and approval within twenty (20) days of the filing of Order No. 22252.

Upon review, the commission finds the Parties' Stipulated Prehearing Order to be reasonable. Accordingly, the commission approves the Stipulated Prehearing Order, as filed.

B.

Waiver of the Nine-Month Deadline

Hawaii Revised Statutes ("HRS") § 91-9(d), states:

Any procedure in a contested case may be modified or waived by stipulation of the parties and informal disposition may be made of any contested case by stipulation, agreed settlement, consent order, or default.

HRS § 91-9(d).

Similarly, Hawaii Administrative Rules ("HAR") § 6-61-35 states that "[w]ith the approval of the commission, any procedure in a contested case may be modified or waived by stipulation of the parties and informal disposition may be made of any contested case by stipulation, agreed settlement, consent order, or default."

The commission notes that the nine-month deadline for the issuance of a final decision regarding the matters of this docket is May 25, 2006.<sup>1</sup> In the Stipulated Prehearing Order, the Parties, however, scheduled the evidentiary hearing (if, there is no settlement) for the week of July 12, 2006, after the May 26,

---

<sup>1</sup>See HRS § 269-16(d).

2006 deadline for issuance of a final decision. The commission construes the Parties' Stipulated Prehearing Order as an agreement to waive the requirement that a final decision and order in this matter be issued within the nine-month period, i.e., by May 25, 2006.<sup>2</sup>

Accordingly, the commission approves the Parties' agreement to waive the nine-month deadline, under HRS § 91-9(d) and HAR § 6-61-35.

## II.

### Orders

#### THE COMMISSION ORDERS:

1. The Parties' Stipulated Prehearing Order, filed on February 21, 2006, and attached hereto as Exhibit 1, is approved.

2. The Parties' agreement to waive the nine-month deadline for the issuance of the final decision and order in this matter is approved.

---

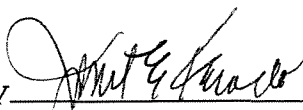
<sup>2</sup>HAWC states that by agreeing to the Parties' regulatory schedule it does not waive its right to interim relief within ten (10) months consistent with HRS § 269-16. See Stipulated Prehearing Order, Exhibit A, n. 3.

DONE at Honolulu, Hawaii MAR - 3 2006.

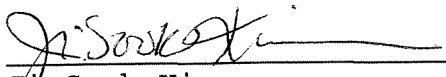
PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

By   
Carlito P. Caliboso, Chairman

By (EXCUSED)  
Wayne H. Kimura, Commissioner

By   
Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:

  
Ji Sook Kim  
Commission Counsel

05-0103.ah

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Application

of

HAWAII-AMERICAN WATER COMPANY

For Approval of Rate Increase and Revised Rate  
Schedules and Rules

)  
)  
) Docket No. 05-0103  
)  
)  
)  
)  
)  
)

PUBLIC UTILITIES  
COMMISSION

2006 FEB 21 P 3:52

FILED

STIPULATED PREHEARING ORDER NO. \_\_\_\_\_

KENT D. MORIHARA, ESQ.  
MICHAEL H. LAU, ESQ.  
MoriHara Lau & Fong LLP  
841 Bishop Street, Suite 400  
Honolulu, Hawaii 96813  
Telephone: (808) 528-4200  
Facsimile: (808) 531-8466

Attorneys for Applicant  
HAWAII-AMERICAN WATER COMPANY

CARRIE K.S. OKINAGA, ESQ.  
MAILE R. CHUN, ESQ.  
Department of Corporation Counsel  
City and County of Honolulu  
530 S. King Street, Room 110  
Honolulu, HI 96813  
Telephone: (808) 527-5351  
Facsimile: (808) 523-4583

Attorneys for CITY AND COUNTY OF HONOLULU

CHERYL S. KIKUTA  
335 Merchant Street  
Room 326  
Honolulu, HI 96813  
Telephone: (808) 586-2800  
Facsimile: (808) 586-2780

Utilities Administrator  
DIVISION OF CONSUMER ADVOCACY  
DEPARTMENT OF COMMERCE AND  
CONSUMER AFFAIRS

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Application

of

HAWAII-AMERICAN WATER COMPANY

For Approval of Rate Increase and Revised Rate Schedules and Rules.

Docket No. 05-0103

STIPULATED PREHEARING ORDER NO. \_\_\_\_\_

**EXHIBIT "A"**

**and**

## CERTIFICATE OF SERVICE

Filed \_\_\_\_\_, 2006

At \_\_\_\_\_ o'clock \_\_\_\_\_.m.

Chief Clerk of the Commission

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

|  |   |                    |
|--|---|--------------------|
| In the Matter of the Application               | ) |                    |
|  | ) |                    |
| of   | ) | Docket No. 05-0103 |
|  | ) |                    |
| HAWAII-AMERICAN WATER COMPANY                  | ) |                    |
|  | ) |                    |
| For Approval of Rate Increase and Revised Rate | ) |                    |
| Schedules and Rules.                           | ) |                    |
| <hr/>  |   |                    |

STIPULATED PREHEARING ORDER

HAWAII-AMERICAN WATER COMPANY ("Applicant" or "Hawaii-American"), the DIVISION OF CONSUMER ADVOCACY OF THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS (the "Consumer Advocate"), and CITY AND COUNTY OF HONOLULU (the "City") by and through their respective attorneys and/or authorized representatives, do hereby stipulate to the following provisions of this Stipulated Prehearing Order as mutually acceptable to each.

ACCORDINGLY, IT IS ORDERED that the following Statement of Issues, Schedule of Proceedings, and procedures shall be utilized in this docket.

I.

STATEMENT OF THE ISSUES

The issues in this case are:

1. Is Hawaii-American's proposed general rate increase reasonable?
  - a. Are the proposed tariffs, rates and charges just and reasonable?
  - b. Are the revenue forecasts for Test Year ending December 31, 2006 ("Test Year") at present rates and proposed rates reasonable?
  - c. Are the projected operating expenses for Test Year reasonable?

d. Is the projected rate base for Test Year reasonable, and are the properties included in the rate base used or useful for public utility purposes?

e. Is the rate of return requested fair?

2. Whether any other relief (e.g., interim relief) as may be just and reasonable should be granted under the circumstances?

## II.

### SCHEDULE OF PROCEEDINGS

The parties shall adhere to the schedule of proceedings set forth in the Stipulated Regulatory Schedule attached hereto as Exhibit "A." Notwithstanding the above, the parties shall have the right to amend the Stipulated Regulatory Schedule as may be agreed in writing from time to time. However, the intent of the parties in agreeing to a schedule at this time is to promote the efficient and cost-effective allocation of resources. Therefore, any changes to the schedule should be proposed only when there is an urgency or substantial competing need that cannot be reasonably accommodated without a change.

## III.

### REQUESTS FOR INFORMATION

A party to this proceeding may submit information requests to another party within the time schedule specified in this Stipulated Prehearing Order. If a party is unable to provide the information requested within the prescribed time period, it should so indicate to the inquiring party as soon as possible. The parties shall then endeavor to agree upon a later date for submission of the requested information. If the parties are unable to agree, the inquiring party may seek approval from the Commission and make a showing of good cause. It is then within the Commission's discretion to allow additional information requests.

In lieu of responses to information requests that would require the reproduction of voluminous documents or materials (e.g. documents over 50 pages), the documents or materials may be made available for reasonable inspection and copying at a mutually agreeable

designated location and time. In the event such information is available on computer diskette, the party responding to the information request may make the diskette available to the other party and the Commission. A party shall not be required, in a response to an information request, to provide data that is/are already on file with the Commission or otherwise part of the public record, or that may be stipulated to pursuant to Part VI, infra. The responding party shall, in lieu of production of a document in the public record, include in its response to the information request an identification of the document with reasonable specificity sufficient to enable the requesting party to locate and copy the document. In addition, a party shall not be required, in a response to an information request, to make computations, compute ratios, reclassify, trend, calculate, or otherwise rework data contained in its files or records.

A party may object to responding to an information request that it deems to be irrelevant, immaterial, unduly burdensome, onerous or repetitious, or where the response contains information claimed to be privileged or subject to protection (confidential information). If a party claims that information requested is confidential, and withholds production of all or a portion of such confidential information, the party shall: (1) provide information reasonably sufficient to identify the confidential information withheld from the response, without disclosing privileged or protected information; (2) state the basis for withholding the confidential information (including, but not limited to, the specific privilege applicable or protection claimed for the confidential information and the specific harm that would befall the party if the information were disclosed); and (3) state whether the party is willing to provide the confidential information pursuant to a protective order.

A party seeking production of documents notwithstanding a party's claim of confidentiality, may file a motion to compel production with the Commission.

#### IV.

##### WITNESSES

Witnesses submitting written testimony and exhibits shall be made available for cross-examination at the hearing. Witnesses should have the work papers used in preparing the evidence they sponsor available at the hearing. Witnesses will not be permitted to read prefiled testimony at the hearings. Witnesses who will present both oral direct and rebuttal testimonies must present said testimonies at the same time.

In the oral presentation of the testimony, each witness may give a brief summary of the testimony and exhibits and shall summarize the issues raised by such testimony. Each witness shall be subject to cross-examination for both direct and rebuttal testimony and exhibits.

The parties in this case should cooperate to accommodate the schedules of any mainland witnesses and should inform the Commission in advance of any scheduling difficulties of mainland witnesses. If any party has any objection to scheduling a witness in advance of other witnesses, the party should make a timely objection to the Commission.

#### V.

##### FORM OF PREPARED TESTIMONY

All prepared testimony, including text and exhibits, shall be prepared in written form on 8-1/2" x 11" paper with line numbers, and shall be served on the dates designated in the Schedule of Proceedings.

Each party shall be permitted to follow its own numbering system for written testimony and exhibits, provided that the numbering system utilized is consistent and is clearly understandable. Each document of more than one page shall be consecutively numbered. Each party shall prepare a list of its exhibits by exhibit numbers and titles.

The parties shall be permitted to make revisions to exhibits after the designated dates appearing in the Schedule of Proceedings. Revisions shall bear appropriate revision dates. However, revisions or additions that do more than correct typographical errors, update facts, or

give numerical comparisons of the positions taken by the parties, shall not be submitted.

Generally, exhibits should include appropriate footnotes or narratives in the exhibits or the related testimony setting forth the sources of the information used and explaining the methods employed in making statistical compilations or estimates.

## VI.

### MATTERS OF PUBLIC RECORD

To reduce unnecessary reproduction of documents and to facilitate these proceedings, identified matters of public record, such as reports that Hawaii-American has filed with the Commission, published scientific or economic statistical data, material and textbooks, technical or industry journals relating to utility matters, and specified parts of the record in previous Commission dockets shall be admissible in this proceeding without the necessity of reproducing each document; provided that the document to be admitted is clearly identified by reference to the place of publication, file or docket number, and the identified document is available for inspection by the Commission and the parties; and further provided that any party has the right to explain, qualify or conduct examination with respect to the identified document. The Commission can rule on whether the identified document can be admitted into evidence when a party proffers such document for admission as evidence in this case.

From time to time, the parties may enter into stipulations that such documents, or any portion of such documents, may be introduced into evidence in this case.

## VII.

### COPIES OF TESTIMONIES, EXHIBITS AND INFORMATION REQUESTS

#### 1. Testimonies and Exhibits:

Public Utilities Commission  
465 South King Street  
First Floor  
Honolulu, HI 96813

Original plus 8 copies

Division of Consumer Advocacy  
335 Merchant Street

6 copies

Room 326  
Honolulu, HI 96813  
Facsimile Number: 586-2780

Kent D. Morihara, Esq. 1 copy  
Michael H. Lau, Esq.  
Morihara Lau & Fong LLP  
Davies Pacific Center  
841 Bishop Street, Suite 400  
Honolulu, HI 96813  
Facsimile Number: 531-8466

David P. Stephenson 1 copy  
c/o American Water Works Service Company, Inc.  
4701 Beloit Drive  
Sacramento, CA 95838  
Facsimile Number: (916) 568-4260

Rodney L. Jordan 1 copy  
c/o American Water Works Service Company, Inc.  
4701 Beloit Drive  
Sacramento, CA 95838  
Facsimile Number: (916) 568-4260

Lee A. Mansfield, P.E. 1 copy  
Manager  
Hawaii-American Water Company  
6700 Kalanianaʻole Highway  
Suite 205  
Honolulu, HI 96825  
Facsimile Number: 395-5023

Craig A. Marks, Esq. 1 copy  
Corporate Counsel – Western Region  
American Water  
19820 N. 7<sup>th</sup> Street, Suite 201  
Phoenix, AZ 85024  
Facsimile Number: (623) 445-2451

Carrie K.S. Okinaga, Esq. 1 copy  
Maile R. Chun, Esq.  
Department of Corporation Counsel  
City and County of Honolulu  
530 S. King Street, Room 110  
Honolulu, HI 96813  
Facsimile Number: 523-4583

2. Information Requests and Responses:

Public Utilities Commission  
465 South King Street

Original plus 8 copies

|  |          |
|--|----------|
| First Floor<br>Honolulu, HI 96813  |          |
| Division of Consumer Advocacy<br>335 Merchant Street<br>Room 326<br>Honolulu, HI 96813<br>Facsimile Number: 586-2780   | 6 copies |
| Kent D. Morihara, Esq.<br>Michael H. Lau, Esq.<br>Morihara Lau & Fong LLP<br>Davies Pacific Center<br>841 Bishop Street, Suite 400<br>Honolulu, HI 96813   | 1 copy   |
| Facsimile Number: 531-8466   |          |
| David P. Stephenson<br>c/o American Water Works Service Company, Inc.<br>4701 Beloit Drive<br>Sacramento, CA 95838<br>Facsimile Number: (916) 568-4260   | 1 copy   |
| Rodney L. Jordan<br>c/o American Water Works Service Company, Inc.<br>4701 Beloit Drive<br>Sacramento, CA 95838<br>Facsimile Number: (916) 568-4260  | 1 copy   |
| Lee A. Mansfield, P.E.<br>Manager<br>Hawaii-American Water Company<br>6700 Kalaniana'ole Highway<br>Suite 205<br>Honolulu, HI 96825<br>Facsimile Number: 395-5023  | 1 copy   |
| Craig A. Marks, Esq.<br>Corporate Counsel – Western Region<br>American Water<br>19820 N. 7 <sup>th</sup> Street, Suite 201<br>Phoenix, AZ 85024<br>Facsimile Number: (623) 445-2451                      | 1 copy   |
| Carrie K.S. Okinaga, Esq.<br>Maile R. Chun, Esq.<br>Department of Corporation Counsel<br>City and County of Honolulu<br>530 S. King Street, Room 110<br>Honolulu, HI 96813<br>Facsimile Number: 523-4583 | 1 copy   |

All pleadings, briefs and other documents required to be filed with the Commission shall be filed at the office of the Commission in Honolulu within the time limit prescribed pursuant to Hawaii Administrative Rules ("HAR") § 6-61-15.

VIII.

ORDER OF EXAMINATION

Consistent with the requirements set forth under HAR § 6-61-31, Hawaii-American's witnesses shall open with its direct case. The Consumer Advocate's direct case shall be presented after Hawaii-American's direct case. The City's direct case shall be presented after the Consumer Advocate's direct case. Hawaii-American shall close with its rebuttal case.

Examination of any witness shall be limited to one attorney for a party. The parties shall avoid duplicative or repetitious cross-examination. Cross-examination shall be limited to witnesses whose testimony is adverse to the party desiring to cross-examine. Re-cross-examination shall be limited to the extent of material covered in redirect examination unless otherwise permitted by the Commission.

IX.

COMMUNICATIONS

HAR § 6-61-29 concerning *ex parte* communications is applicable to any communications between a party and the Commission. However, the parties may communicate with Commission counsel through their own counsel or designated official only as to matters of process and procedure.

Communications between the parties should either be through counsel or through designated representatives. All pleadings, papers, and other documents filed in this proceeding shall be served on the opposing party as provided in Article VII above.

All motions, supporting memoranda, briefs, and the like shall also be served on opposing counsel.

X.

GENERAL

The foregoing procedures shall be applied in a manner consistent with the orderly conduct of this docket.

Pursuant to HAR § 6-61-37, this Stipulated Prehearing Order shall control the subsequent courses of the proceedings, unless modified at or prior to the hearings to prevent manifest injustice. This Stipulated Prehearing Order may be executed by the parties in counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument. The parties may execute this Stipulated Prehearing Order by facsimile for initial submission to the Commission to be followed by the filing of originals of said facsimile pages.

Dated: Honolulu, Hawaii, February 21, 2006.

By Cheryl S. Kikuta  
CHERYL S. KIKUTA  
Utilities Administrator  
DIVISION OF CONSUMER  
ADVOCACY  
DEPARTMENT OF COMMERCE AND  
CONSUMER AFFAIRS

By Kent D. Morihara  
KENT D. MORIHARA  
MICHAEL H. LAU  
Attorneys for Applicant  
HAWAII-AMERICAN WATER COMPANY

By \_\_\_\_\_  
CARRIE K.S. OKINAGA, ESQ.  
MAILE R. CHUN, ESQ.  
Attorney for the CITY AND COUNTY OF  
HONOLULU

X.

GENERAL

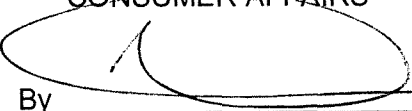
The foregoing procedures shall be applied in a manner consistent with the orderly conduct of this docket.

Pursuant to HAR § 6-61-37, this Stipulated Prehearing Order shall control the subsequent courses of the proceedings, unless modified at or prior to the hearings to prevent manifest injustice. This Stipulated Prehearing Order may be executed by the parties in counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument. The parties may execute this Stipulated Prehearing Order by facsimile for initial submission to the Commission to be followed by the filing of originals of said facsimile pages.

Dated: Honolulu, Hawaii, February 21, 2006.

By \_\_\_\_\_  
CHERYL S. KIKUTA  
Utilities Administrator  
DIVISION OF CONSUMER  
ADVOCACY  
DEPARTMENT OF COMMERCE AND  
CONSUMER AFFAIRS

By \_\_\_\_\_  
KENT D. MORIHARA  
MICHAEL H. LAU  
Attorneys for Applicant  
HAWAII-AMERICAN WATER COMPANY

By  \_\_\_\_\_  
CARRIE K.S. OKINAGA, ESQ.  
MAILE R. CHUN, ESQ.  
Attorney for the CITY AND COUNTY OF  
HONOLULU

APPROVED AND SO ORDERED AT HONOLULU, HAWAII THIS \_\_\_\_\_ day of

\_\_\_\_\_, 2006.

PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

By \_\_\_\_\_  
Carlito P. Caliboso, Chairman

By \_\_\_\_\_  
Wayne H. Kimura, Commissioner

By \_\_\_\_\_  
Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:

\_\_\_\_\_  
Ji Sook Kim  
Commission Counsel

**EXHIBIT "A"**  
**STIPULATED REGULATORY SCHEDULE**  
**HAWAII-AMERICAN WATER COMPANY**  
**Docket No. 05-0103**

|    | <b>DATE</b>  | <b>PROCEDURAL STEPS</b>  |
|----|--|--|
| 1. | Thursday, August 25, 2005                            | Application Filed at PUC   |
| 2. | Thursday, October 27, 2005                           | Public Hearing   |
| 3. | Monday, September 26, 2005<br>through March 23, 2006 | Consumer Advocate's Submissions of<br>Information Requests (IRs) to Hawaii-<br>American          |
| 4. | No later than Friday,<br>February 10, 2006           | Filing with Commission of Hawaii-American's<br>Responses to Consumer Advocate's IRs <sup>1</sup> |
| 5. | Monday, March 6, 2006                                | City's Submission of IRs to Hawaii-American  |
| 6. | Monday, March 20, 2006                               | Hawaii-American's Responses to City's IRs  |
| 7. | Thursday, March 30, 2006                             | City's Submission of Supplemental IRs to<br>Hawaii-American                                      |
| 8. | Thursday, April 13, 2006                             | Hawaii-American's Responses to City's<br>Supplemental IRs  |
| 9. | Monday, April 24, 2006                               | Filing of Direct Testimony and Exhibits by<br>Consumer Advocate and City                         |

---

<sup>1</sup> During the period prior to the issuance by the Commission of Order No. 22252 on January 31, 2006 granting the City intervention in the subject docket, the Consumer Advocate issued eleven (11) submissions of information requests on Hawaii-American (CA-IR-1 through CA-IR-239), for which responses have been provided by Hawaii-American to the Consumer Advocate. As indicated above, by no later than Friday, February 10, 2006, Hawaii-American will file its responses to these eleven (11) submissions with the Commission. At the same time, Hawaii-American will provide a copy of the responses to the City; provided, however, that a copy of any confidential responses and/or attachments thereto that are being filed under and subject to Protective Order No. 22002 issued in the subject docket will only be provided to the City upon the execution of the protective agreements by their appropriate personnel in accordance with said Protective Order and filing of these protective agreements with the Commission. For all subsequent information requests that may be issued by the Consumer Advocate, Hawaii-American will endeavor to provide and file its responses thereto within fourteen (14) days following the filing of said information requests with the Commission.

|     | <b>DATE</b>  | <b>PROCEDURAL STEPS</b>  |
|-----|--|--|
| 10. | Monday, May 8, 2006  | Hawaii-American's Submission of IRs to Consumer Advocate and/or City; Settlement Discussions (if any) <sup>2</sup> |
| 11. | Monday, May 22, 2006   | Consumer Advocate's and/or City's Responses to Hawaii-American's IRs   |
| 12. | Tuesday, May 30, 2006  | Hawaii-American's Rebuttal Testimonies to Direct Testimonies of Consumer Advocate and/or City                      |
| 13. | Tuesday, June 13, 2006   | Consumer Advocate's and/or City's Submission(s) of Rebuttal IRs to Hawaii-American                                 |
| 14. | Tuesday, June 20, 2006   | Hawaii-American's Responses to Consumer Advocate's and/or City's Rebuttal IRs                                      |
| 15. | Wednesday, July 5, 2006  | Settlement Letter/Agreement (if any) to Commission   |
| 16. | Week of July 12, 2006  | Evidentiary Hearing (if no settlement)   |
| 17. | No later than Tuesday, July 25, 2006                             | Interim Decision and Order <sup>3</sup> (if no settlement)   |
| 18. | 3 weeks after transcript completed and filed with the Commission | Simultaneous Post-Hearing Briefs from Hawaii-American/Consumer Advocate/City                                       |
| 19. |  | Decision and Order   |

<sup>2</sup> The parties reserve the right to, collectively or individually, engage in settlement discussions at any time on any and/or all disputed issues that may exist between any of the parties' respective positions in the subject docket. In the event a settlement is reached by all or any of the parties, the respective parties will notify the Commission and any other parties accordingly and make such changes to the remaining procedural steps as may be applicable or prudent under the circumstances, including but not limited to waiving any rights to a evidentiary hearing or limited the scope of the hearing to any unresolved issues.

<sup>3</sup> By stipulating to this regulatory schedule, Hawaii-American does not waive its right to interim relief within ten months consistent with the requirements set forth under Hawaii Revised Statutes § 269-16. In that connection, the parties will make every effort to expedite the discovery process, if possible, to provide the Commission with a sufficient and complete evidentiary record to render an interim relief decision within the ten-month period.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Stipulated Prehearing Order No. \_\_\_\_\_ upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
DIVISION OF CONSUMER ADVOCACY  
250 S. King Street  
Room 825  
Honolulu, Hawaii 96813

KENT D. MORIHARA, ESQ.  
MICHAEL H. LAU, ESQ.  
Ishikawa Morihara Lau & Fong LLP  
Davies Pacific Center  
841 Bishop Street, Suite 400  
Honolulu, Hawaii 96813

MR. DAVID P. STEPHENSON  
c/o American Water Works Service Company, Inc.  
4701 Beloit Drive  
Sacramento, CA 95838

MR. RODNEY L. JORDAN  
c/o American Water Works Service Company, Inc.  
4701 Beloit Drive  
Sacramento, CA 95838

MR. LEE A. MANSFIELD, P.E.  
Manager  
Hawaiian-American Water Company  
6700 Kalanianaʻole Highway  
Honolulu, HI 96825

CRAIG A. MARKS, ESQ.  
Corporate Counsel – Western Region  
American Water  
19820 N. 7<sup>th</sup> Street, Suite 201  
Phoenix, AZ 85024

CARRIE K.S. OKINAGA, ESQ.  
MAILE R. CHUN, ESQ.  
Department of Corporation Counsel  
City and County of Honolulu  
530 S. King Street, Room 110  
Honolulu, HI 96813

DATED: \_\_\_\_\_, 2006

---

Chief Clerk

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 22304 upon the following Petitioners, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

JOHN E. COLE  
EXECUTIVE DIRECTOR  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
DIVISION OF CONSUMER ADVOCACY  
P. O. Box 541  
Honolulu, HI 96809

KENT D. MORIHARA, ESQ.  
MICHAEL H. LAU, ESQ.  
MORIHARA LAU & FONG, LLP  
841 Bishop Street, Suite 400  
Honolulu, HI 96813

Attorneys for Hawaii-American Water Company

DAVID P. STEPHENSON  
c/o AMERICAN WATER WORKS SERVICE COMPANY, INC.  
4701 Beloit Drive  
Sacramento, CA 95838

RODNEY L. JORDAN  
c/o AMERICAN WATER WORKS SERVICE COMPANY, INC.  
4701 Beloit Drive  
Sacramento, CA 95838

LEE A. MANSFIELD, P.E.  
MANAGER  
HAWAII-AMERICAN WATER COMPANY  
6700 Kalaniana'ole Highway, Suite 205  
Honolulu, HI 96825

CRAIG A. MARKS, ESQ.  
CORPORATE COUNSEL - WESTERN REGION  
AMERICAN WATER  
19820 N. 7<sup>th</sup> Street, Suite 201  
Phoenix, AZ 85024

(Certificate of Service - Continued)

CARRIE K.S. OKINAGA, ESQ.  
MAILE R. CHUN, ESQ.  
DEPARTMENT OF CORPORATION COUNSEL  
CITY AND COUNTY OF HONOLULU  
530 S. King Street, Room 110  
Honolulu, HI 96813

Attorneys for City and County of Honolulu

  
\_\_\_\_\_  
Karen Higashi

DATED: MAR - 3 2006